

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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Venezuela

Post: Caracas

The government increases the prices of grains

Report Categories:

Agricultural Situation

Grain and Feed

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Report Highlights:

Venezuela has approved a 30 percent increase in the farm-gate prices of rice, corn, and soybeans. Farmers have been waiting for several months for these price adjustments.

General Information:

The Government Increases the prices of rice, corn and soybeans

The Bolivarian Republic of Venezuela (BRV) approved a 30 percent increase in the farm-gate price of rice, corn, and soybeans. The price of rice will rise from 1.55 to 2.02 bolivars per kilogram, white corn from 1.15 to 1.50, yellow corn from 1.02 to 1.33 bolivars per kilogram, and the price of soybeans will rise from 1.89 to 2.46 bolivars per kilogram.

The Venezuelan Minister of Agriculture noted that the price adjustment occurs after a careful analysis and consideration of the cost structure of these products and after verifying that this price increase will not have any impact on industrial processing. These increases will take effect from August 15 when the harvest is moved to the silos.

Different producer associations have been requesting since the beginning of the year an adjustment of cereal prices to cope with the increase in input prices following a devaluation of the Bolivar announced in January. Having a price set before the beginning of the planting, which starts between May 1 and 15, is a vital element for farmers for planning purposes.

Although new prices were established, there are still challenges in some states. Some producers have indicated that the shortage of fertilizer in Guárico is still remains, for example, so farmers have held back on land preparation.

Sources: Official statements and leading dailies